



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

August 13, 1982

Mr. James Godlove
Director of Environmental Affairs
White River Shale Oil Corporation
Suite 500, Prudential Building
115 South Main Street
Salt Lake City, Utah 84111

RE: White River Shale Oil
Corporation's State Bond
and Subsurface Material
Utilization Proposal
ACT/047/017
Uintah County, Utah

Dear Mr. Godlove:

This letter has been drafted to memorialize a recent conversation with Ralph DeLeonardis in which the Division of Oil, Gas and Mining (DOGM) communicated the following position regarding the bond issue for the WRSP: the state has yet to complete final negotiations with the Bureau of Land Management (BLM) concerning a general Memorandum of Understanding (MOU). Also, individual agreements between the DOGM and certain area offices of the BLM are lacking. Both approaches will take some time to complete with the latter perhaps being more realistic in the near future. Therefore, to avoid any more immediate hold-ups (in keeping with your desires to expedite this review process) the duplication of the current bond will be required. The State's figures will need to be met on a temporary basis. Realizing the nature of the request, it may be to White River's advantage to assist the Division in the near term negotiation between the BLM and the State over the issue of joint cooperation/interagency understanding, i.e., bonding. The WRSOC may become the needed impetus to drive this issue off of dead center and I hope it will be to both our mutual advantage. Mr. DeLeonardis conveyed the same general feeling of support that you expressed in the Capitol during the last Board Hearing. The length of this duplicity in bonding will depend upon our efforts to further this long needed memorandum of cooperation.

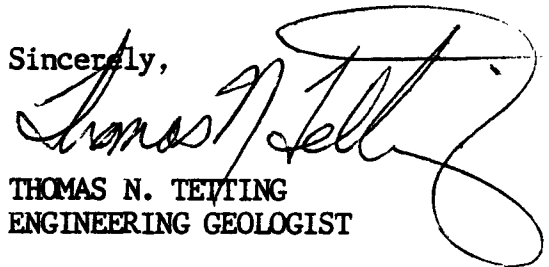
Mr. James Godlove
ACT/047/017
August 13, 1982
Page 2

Additionally, I would like to offer an approval from the Division for the verbally proposed plan to utilize subsurface-subsoil material from the 10 acre runoff retention dam site. Realizing the apparent need for immediate utilization of the material, this conditional approval is contingent upon two factors:

1. All available topsoil material should be placed into the most permanent stockpile available prior to stripping of the subsurface material.
2. The details of this plan will be incorporated into the final condensed addendum package of material which will be submitted to the Division by October 15, 1982. (Please reference the conditional approval letter, including stipulations for the complete project.)

Acceptance of these conditions will be assumed unless the Division is imminently notified otherwise. I trust this letter will be of some help in easing time constraints.

Sincerely,



THOMAS N. TETTING
ENGINEERING GEOLOGIST

TNT/btb

cc: Don Johnson, Oil Shale Office
Lloyd Ferguson, BLM, Vernal
Ron Daniels, DOGM
Jim Smith, DOGM
Tom Portle, DOGM